# **CITY OF SAN ANTONIO, TEXAS Housing and Neighborhood Services Department**



# Inner City Tax Increment Reinvestment Zone Eleven

**Participation Level of City (100%)** 

**January 29, 2009** 

# Inner City Redevelopment Project Tax Increment Reinvestment Zone No. 11 Final Plan of Finance

#### Introduction

The Inner City Tax Increment Reinvestment Zone is located in the eastside of the City and encompasses approximately 2.5 square miles (1570 acres). The approximate boundaries of Tax Increment Reinvestment Zone Number Eleven ("TIRZ 11") lie approximately one block north of IH-35 on the north between Broadway on the west and Coliseum Rd. on the east, then south on Coliseum Rd. to Commerce St., then west along Commerce St. to New Braunfels St., then south to Iowa St., then east to Hoefgen Ave., then south to Westfall Ave., then west on Westfall Ave. into Star Blvd. to Probrandt St., then north on Probrandt to Alamo St., then northeast on Alamo St. to St. Mary's St., then north on St. Mary's into Navarro St., and continuing north on Navarro St. to Commerce St., then east to Bowie St., and going north on Bowie St. to Alamo St., and continuing northeast on Alamo St. to Jones Ave., then west on Jones Ave. to Broadway, and then north on Broadway to IH-35. The purpose of the TIRZ 11 is to fund public improvements and encourage economic development. The life of TIRZ 11 is projected to be 14.79 years with a termination date of September 30, 2015 (Fiscal Year).

#### **Public Infrastructure**

The public infrastructure improvements and related capital costs include streets, drainage, utilities, sidewalks, and park improvements and other costs approved by the TIRZ Board and City Council. The TIRZ 11 will provide a source of funding for public improvements. Annual construction of public improvements will be made in the amount of the TIRZ 11 revenues received through September 30, 2015. The estimated TIRZ 11 revenue to be received through September 30, 2015 is \$16,595,254. The TIRZ 11 revenues in excess of the estimated \$16,595,254 received through September 30, 2015 may be allocated to other projects as directed by the TIRZ 11 Board of Directors.

#### Plan of Finance

The year 2000 base value of the TIRZ 11 is \$303,184,690. Projected captured values that would be taxed to produce revenues to pay for the capital costs of the public infrastructure improvements. Captured taxable incremental values will commence in tax year 2001 with collections commencing in fiscal year 2002. Captured values grow from \$13,111,197 in tax year 2001 to \$429,888,147 in tax year 2014.

The City of San Antonio is the sole taxing jurisdiction utilized in the analysis. The City's participation level is 100% and the City's current tax rate per \$100 valuation is \$0.57230. This produces annual revenues of \$1,219,748 in fiscal year 2008 to \$2,372,254 in fiscal year 2015. Assessed values are increased at a 1.50% per year with no projected increases in the tax rate.

The cost of the public infrastructure improvements and other approved costs will be paid annually from revenues produced by the TIRZ 11. In addition to the capital costs, other costs to be paid

from the TIRZ 11 revenues include City annual administrative fees. Revenues derived from the TIRZ 11 will be used to pay costs in the following order of priority of payment: (i) administrative fees pertaining to the City; and (ii) second, to fund public improvements, on an annual basis, as TIRZ 11 revenues are available for such payments.

The projected amount of TIRZ 11 revenues to fund capital costs through September 30, 2015 is \$16,595,828. TIRZ 11 revenues in excess of the estimated \$16,595,828 received through September 30, 2015, may be allocated to other projects as directed by the TIRZ 11 Board of Directors and approved by the City Council. It is projected that funds for capital improvements will not be available until fiscal year 2002.

#### Limited Obligation of the City or Participating Governmental Entities

The City shall have a limited obligation to impose, collect taxes, and deposit such tax receipts into a TIRZ 11. The TIRZ 11 collections shall not extend beyond September 30, 2015, and may be terminated prior to September 30, 2015. The public improvement infrastructure costs incurred shall be payable from the TIRZ 11 revenues or other sources of funding that may become available.

#### Reporting

The City shall submit a project status report and financial report at least annually to the City Council. The City shall also submit a project status report, financial report, or any other report as requested by the City Council within thirty (30) days of such request.

#### Inspection

The City shall have the right to inspect a project site or sites without notice and request information from developers.

# Inner City Tax Increment Financing Zone Sources and Uses of Funds

Sources of Funds	
Projected TIF Revenues	\$ 16,595,828
Total Sources of Funds	\$ 16,595,828
Proposed Projects	
Eastside Sports Complex	\$ 1,832,992
Quiet Zone	\$ 800,000
Victoria Commons	\$ 3,362,169
Barrio Comprehensive	\$ 1,700,000
Staybridge	\$ 1,000,000
Eastside Cemeteries	\$ 152,787
SouthTown	\$ 694,002
Hays Street Bridge	\$ 235,000
University of Incarnate Word	\$ 1,242,220
1511 E. Commerce	\$ 160,500
SPSA Garage	\$ 2,000,000
Total Project Expenses	\$ 13,179,670
Public Improvements	\$ 13,179,670
Administrative Costs	\$ 140,000
Total TIF Expenses	\$ 13,319,670
Total Ending TIF Fund Balance	\$ 3,276,157

#### Notes

<sup>-</sup>The TIRZ fund will only reimburse up to \$1,832,992 for "user fees" for the Eastside Sport complex, \$249,148 in Tax Year 2007, \$218,148 in Tax years 2008-2011 and \$237,084 in tax years 2012-2014

<sup>-</sup>Tax year 2007 reimbursement to the Eastside Sport Complex for \$249,148 includes: \$218,148 plus a \$31,000 processing fee which is charged to the project

<sup>-</sup>The TIRZ fund will reimburse the Quiet Zone for 40% of the Quiet Zone's total project cost, not to exceed \$800,000.

#### **Inner City Tax Increment Financing Zone**

#### **Projected Tax Increment Revenue**

	(1)		(2)	(3)		(4)			(5)						
					Tax I	ncrement Zone					Cit	y of San Anto	onio		
	Beginning	Amended	Abatement		Beginning	Value	Value	Projected	Projected	Projected	Captured			Total	Fiscal
Tax	Assessed	Assessed	Value		Taxable	New	Scheduled	Year-End	Year-End Assessed	Captured	Taxable		Tax	Tax	Year
Year	Value	Value	Adjustment	Exemptions	Assessed Value	Improvements	Improvements	Assessed Value	Taxable Value	Value	Value	Tax Rate	Increments	Increments	Ending
1998															1999
1999											-		-	-	2000
2000	303,184,690		8,887,100	11,990,607	282,306,983	9,398,474	1,533,300	314,116,464	296,344,180		-	0.57979	-	-	2001
2001	314,116,464		9,146,300	9,628,184	295,341,980	6,732,015	316,700	321,165,179	300,849,457	13,111,197	13,111,197	0.57854	65,180	65,180	2002
2002	321,165,179		9,146,300	11,169,422	300,849,457	25,372,242	2,246,775	348,784,196	329,874,556	18,589,707	18,589,707	0.57230	100,079	100,079	2003
2003	348,784,196	28,030,994	9,146,300	37,794,334	329,874,556	19,205,080	12,927,500	408,947,770	362,007,136	46,775,060	46,775,060	0.57854	249,076	249,076	2004
2004	408,947,770		7,392,500	11,517,140	390,038,130	3,711,021	6,570,000	419,228,790	400,319,150	51,731,650	51,731,650	0.57854	293,125	293,125	2005
2005	419,228,790			18,909,640	400,319,150	48,351,265	8,543,600	476,123,655	457,214,015	80,307,711	80,307,711	0.57854	454,486	454,486	2006
2006	476,123,655			19,193,285	457,214,015	7,141,855	54,230,000	537,495,510	518,585,870	145,272,429	145,272,429	0.57854	833,565	833,565	2007
2007	537,495,510			19,481,184	518,585,870	8,062,433	18,000,000	563,557,943	544,648,303	218,184,076	218,184,076	0.57230	1,219,748	1,219,748	2008
2008	563,557,943			19,773,402	544,648,303	8,453,369	2,030,000	574,041,312	612,681,672	234,310,326	234,310,326	0.56714	1,295,646	1,295,646	2009
2009	574,041,312			20,070,003	612,681,672	8,610,620	59,580,000	642,231,932	621,292,291	302,343,695	302,343,695	0.56598	1,668,425	1,668,425	2010
2010	642,231,932			20,371,053	621,292,291	9,633,479	-	651,865,410	630,925,770	310,954,314	310,954,314	0.56598	1,715,941	1,715,941	2011
2011	651,865,410			20,676,619	630,925,770	9,777,981	77,191,100	738,834,492	717,894,852	320,587,793	320,587,793	0.56598	1,769,101	1,769,101	2012
2012	738,834,492			20,986,768	717,894,852	11,082,517		749,917,009	728,977,369	407,556,875	407,556,875	0.56598	2,249,023	2,249,023	2013
2013	749,917,009			21,301,569	728,977,369	11,248,755		761,165,764	740,226,124	418,639,392	418,639,392	0.56598	2,310,180	2,310,180	2014
2014	761,165,764			21,621,093	740,226,124	11,417,486		772,583,251	751,643,611	429,888,147	429,888,147	0.56598	2,372,254	2,372,254	2015
2015															2016
2016															2017
2017															2018
2018															2019
2019															2020
			\$ 43,718,500			\$ 198,198,592	\$ 243,168,975						\$16,595,828	\$16,595,828	•
	Existing Value C	Frowth Factors	,,-				, ., .,						,,.	,,-	
	Base Model Gro									1.50%			100%		
	Growth Factor A									0.00%			0.00%		
	Combined Grow									1.50%			97.50%		
	Comonica Grow									1.50/0	L		71.5070		

<sup>(1)</sup> Tax year 2000 value based on estimated certified values of existing property within the proposed zone. (Provided by the City of San Antonio, Texas)

Note: Base value adjusted from \$304,895,290 to \$304,204,890 , from \$304,204,890 to \$304,186,890 from \$304,186,890 to \$303,650,690 and \$303,650,690 to \$303,184,690.

<sup>(2)</sup> Gaylord Container receives an ad valorem tax abatement through tax year 2004. The land value is taxable, improvements value is abated.

<sup>(3)</sup> Type of exemptions include Historic, Over-65, Disabled Vets and appraised value limitations. Length of tax exemptions also vary.

<sup>(4)</sup> Projected value of proposed improvements based on compound annual growth 1.50%.

<sup>(5)</sup> Projected total taxable value increase over base year 2000 taxable value.

## **Inner City Tax Increment Financing Zone**

#### **TIF Revenues Available for Construction**

	Fiscal		Cumulative		Public Improvement	
	Year	TIF	TIF	TIF	Construction	Cumulative
	Ending	Revenue	Revenues	Admin. Exp.	Funding	Construction
15-Sep-00	2000					
15-Sep-01	2001	-	-	-	-	-
15-Sep-02	2002	65,180	65,180	10,000	55,180	55,180
15-Sep-03	2003	100,079	165,259	10,000	90,079	145,259
15-Sep-04	2004	249,076	414,334	10,000	239,076	384,334
15-Sep-05	2005	293,125	707,459	10,000	283,125	667,459
15-Sep-06	2006	454,486	1,161,945	10,000	444,486	1,111,945
15-Sep-07	2007	833,565	1,995,510	10,000	823,565	1,935,510
15-Sep-08	2008	1,219,748	3,215,258	10,000	1,209,748	3,145,258
15-Sep-09	2009	1,295,646	4,510,904	10,000	1,285,646	4,430,904
15-Sep-10	2010	1,668,425	6,179,329	10,000	1,658,425	6,089,329
15-Sep-11	2011	1,715,941	7,895,269	10,000	1,705,941	7,795,269
15-Sep-12	2012	1,769,101	9,664,371	10,000	1,759,101	9,554,371
15-Sep-13	2013	2,249,023	11,913,394	10,000	2,239,023	11,793,394
15-Sep-14	2014	2,310,180	14,223,574	10,000	2,300,180	14,093,574
15-Sep-15	2015	2,372,254	16,595,828	10,000	2,362,254	16,455,828
15-Sep-16	2016					
15-Sep-17	2017					
15-Sep-18	2018					
15-Sep-19	2019					
15-Sep-20	2020					
	_	¢ 16 505 929		\$ 140,000	\$ 16,455,828	
	=	\$ 16,595,828		\$ 140,000	\$ 16,455,828	

## Inner City Tax Increment Financing Zone Participation Levels

Entity	Tax Rate	Level of Participation	% of Project		TIF Revenues		
San Antonio	0.5723000	100%	100.00%	\$	16,595,828		
	0.5723000		100.00%	\$	16,595,828		

#### Inner City Tax Increment Financing Zone Projected Property Improvement Value

(Property Values Added to Tax Roles)

	La	Holiday	Best	Ruth's				Historic		Springview	Springview	Springview	New Light	New Light	New Light
Fiscal	Contessa	Inn	Western	Chris	Victoria	SPS	SPSA	Gardens		Hope I	Hope II	Hope III	Village Homes	Village Homes	Village Homes
Year	Hotel	Express	Hotel	Steakhouse	Commons	Properties	Garage	Phase II	McDonald's	Project	Project	Project	Phase 1	Phase 2	Phase 3
2000															
2001				721,300					70,200						
2002									310,500						
2003								1,391,775					855,000		
2004								507,500		4,200,000	4,800,000			3,420,000	
2005												4,650,000			1,920,000
2006		1,800,000	2,313,600		4,430,000										
2007	23,000,000	1,800,000			4,430,000										
2008															
2009						1,700,000.00									
2010					25,800,000		10,500,000								
2011															
2012															
_	\$ 23,000,000	\$ 3,600,000	\$ 2,313,600	\$ 721,300	\$ 34,660,000	\$ 1,700,000 \$	10,500,000 \$	1,899,275	\$ 380,700	\$ 4,200,000	\$ 4,800,000	\$ 4,650,000	\$ 855,000	\$ 3,420,000	\$ 1,920,000

#### Notes:

- Holiday Inn property value is projected to come online FY 2006 and FY 2007. Developer is securing financing for the project.
- La Quinta Inn/San Antonio Convention Center Inn and Suites project added. Current assessed value is \$6,709,600 (\$6,000,000 land value and \$709,600 improvement value).
- Historic Gardens phase III property values are projected to come on the tax roles in FY 2009.

F' 1	La Quinta	Moderate	n t.		F - 1 - 1		0	G G .		Historic	Dr. J. J	A 1	E'
Fiscal Year	Convention Center Inn	Merchant's Ice	Barrio Comprehensive	Staybridge	Friedrich Building	Carver	Oscar Eason Center	Convention Cer Condominium Pr		Gardens Thase III	Riverbend Garage	Annual Total	Fiscal Year
2000	Center Inn	ICC	comprehensive	Staybriage	Dunuing	Curver	Center	Condominum 1	roject 1	nusc III	Guruge	-	2000
2001												1,533,300	2001
2002												316,700	2002
2003												2,246,775	2003
2004												12,927,500	2004
2005												6,570,000	2005
2006												8,543,600	2006
2007	25,000,000											54,230,000	2007
2008				18,000,000	0		0					18,000,000	2008
2009						0				330,000		2,030,000	2009
2010										880,000	22,400,000	59,580,000	2010
2011												-	2011
2012								77	,191,100			77,191,100	2012
	\$ 25,000,000	\$ -	\$ -	\$ 18,000,000	\$ -	\$ -	\$ -	\$ 77	,191,100 \$	1,210,000	\$ 22,400,000	\$ 243,168,975	

### **Inner City Tax Increment Financing Zone**

### **Projected Improvements**

			Total New
Tax	Scheduled	Other	Improvements
Year	Improvements	Improvements	Base Model
1999			-
2000	-	-	-
2001	1,533,300	-	1,533,300
2002	316,700	-	316,700
2003	2,246,775	-	2,246,775
2004	12,927,500	-	12,927,500
2005	6,570,000	-	6,570,000
2006	8,543,600	-	8,543,600
2007	54,230,000	-	54,230,000
2008	18,000,000	-	18,000,000
2009	2,030,000	-	2,030,000
2010	59,580,000	-	59,580,000
2011	-	-	-
2012	77,191,100	-	77,191,100
	\$ 243,168,975	\$ -	\$ 243,168,975

Fiscal Yea Annual Increment Annual Admin Fe	(add)	2006 454,486 10,000	2007 833,565 10,000	2008 1,219,748 10,000	2009 1,295,646 10,000	2010 1,668,425 10,000	2011 1,715,941 10,000	2012 1,769,101 10,000	2013 2,249,023 10,000	2014 2,310,180 10,000	2015 2,372,254 10,000	16,595,828
	Total Project											
Approved Projects	Funding	1,111,945	1,685,510	2,396,110	1,789,607	1,963,884	2,028,976	2,201,829	2,946,668	3,448,644	4,905,645	
Eastside Sport Complex	1,832,992		249,148	218,148	218,148	218,148	218,148	237,084	237,084	237,084		
Victoria Commons	3,362,169			750,000	450,000	450,000	450,000	450,000	600,000	212,169		
Staybridge	1,000,000			100,000	100,000	100,000	125,000	125,000	125,000	150,000	175,000	
Barrio Comprehensive	1,700,000	250,000	250,000	250,000	200,000	200,000	200,000	200,000	150,000			
Quiet Zone	800,000			100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	
Eastside Cemetaries	152,787			150,000								
Haystreet Bridge	235,000				117,500	117,500						
Southtown	694,002			173,501	173,501	173,501	173,501					
Incarnate Word	1,242,220				125,000	125,000	175,000	250,000	467,220	100,000		
St. Paul Parking	2,000,000			150 500		156,700	144,600	132,100	118,900	106,000	1,341,700	
Roegline Building	150,500			150,500								
Total Reim of Projects		250,000	499,148	1,892,149	1,484,149	1,640,849	1,586,249	1,494,184	1,798,204	905,253	1,616,700	
Remaining Balance		\$ 861,945	######## \$	503,962	\$ 305,459	\$ 323,035	\$ 442,727	\$ 707,645	\$ 1,148,464	\$ 2,543,391	\$ 3,288,945	